



**Health Services**  
LOS ANGELES COUNTY

Los Angeles County  
Board of Supervisors

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May 4, 2006

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF A DELEGATION OF DUTIES AND ASSIGNMENT  
OF RIGHTS OF A PREVENTIVE MAINTENANCE  
AND REPAIR SERVICES AGREEMENT  
(1st, 2nd, and 4th Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Acting Director of Health Services, or his designee, to sign an Approval of Delegation of Duties and Assignment of Rights, substantially similar to Exhibit I, of Agreement No. H-700834 to acknowledge the transfer of ownership of Lanier Healthcare, LLC to MedQuist Transcriptions, LTD, effective upon Board approval through June 30, 2007, with no fiscal impact.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

In approving this action, the Board is acknowledging the transfer of ownership of Lanier Healthcare, LLC (Lanier) to MedQuist Transcriptions, LTD (MedQuist TL).

FISCAL IMPACT/FINANCING:

The terms and conditions and rates of payment remain the same. There is no fiscal impact as a result of this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On June 29, 2004, the Board approved an Agreement with Lanier for the provision of preventive maintenance and repair services of medical

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dictation and transcription equipment at Martin Luther King, Jr./Drew Medical Center and Rancho Los Amigos National Rehabilitation Center, effective July 1, 2005 through June 30, 2006.

On February 15, 2005, the Board approved Amendment No. 1 with Lanier authorizing preventive maintenance and repair services. Subsequently on June 7, 2005, the Board approved Amendment No. 2 to extend the term through June 30, 2007 and increase the maximum obligation for additional equipment located at LAC+USC Medical Center.

Although MedQuist TL purchased Lanier on July 1, 2002, Lanier continued to conduct business under its own name. On December 6, 2005, Lanier changed its name to MedQuist Healthcare, LLC. Subsequently on December 30, 2005, MedQuist Healthcare, LLC merged with MedQuist TL and MedQuist TL continues as the surviving corporation and sole contracting entity.

The Approval of Delegation of Duties and Assignment of Rights will be effective upon Board approval. The Agreement can be terminated at any time by County by providing a 30-day written notice.

Approval of the Assignment and Delegation will permit MedQuist TL to accept the rights and responsibilities under the Agreement and continue the provision of preventive maintenance and repair services. Since Lanier has been a subsidiary of MedQuist TL, there will be no operational impact to County as a result of the Assignment/Delegation.

Exhibit I has been reviewed and approved by County Counsel.

Attachment A provides additional information.

CONTRACTING PROCESS:

It is not appropriate to advertise assignment of agreement actions on the Los Angeles County Online Web Site.

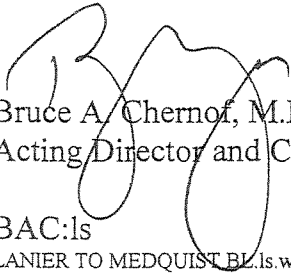
IMPACT ON CURRENT SERVICES (OR PROJECTS):

There is no impact on current services.

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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bruce A. Chernof', is written over the typed name and title.

Bruce A. Chernof, M.D.  
Acting Director and Chief Medical Officer

BAC:ls  
LANIER TO MEDQUIST BL.l.s.wpd

Attachment (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

SUMMARY OF ASSIGNMENT OF AGREEMENT

1. TYPE OF SERVICE:

Preventive maintenance and repair services of medical dictation and transcription equipment.

2. DELEGATION OF DUTIES AND ASSIGNMENT OF RIGHTS:

FROM:

Lanier Healthcare, LLC  
5430 Metric Place, Suite 200  
Norcross, Georgia 30092  
Attention: Joe Toliver  
Telephone: (866) 856-3000

TO:

MedQuist Transcriptions, LTD.  
1000 Bishops Gate Boulevard, Suite 300  
Mount Laurel, New Jersey 08054  
Attention: Contract Administrator  
Telephone: (856) 206-4000

3. TRANSFERRED AGREEMENT AND TERM:

H-700834: July 1, 2004 through June 30, 2007.

4. FINANCIAL INFORMATION:

There is no fiscal impact as a result of these actions.

5. GEOGRAPHIC AREAS SERVED:

Countywide.

6. ACCOUNTABILITY FOR PROGRAM MONITORING AND EVALUATION:

Each Facility Administrator.

7. APPROVALS:

LAC+USC Medical Center:

Pete Delgado, CEO

Martin Luther King, Jr./Drew Medical Center:

Antionette Smith-Epps, M.D., CEO

Rancho Los Amigos National Rehabilitation Center:

Valerie Orange, CEO

Contracts and Grants:

Cara O'Neill, Chief

County Counsel (approval as to form):

Elizabeth J. Friedman, Senior Deputy

APPROVAL OF DELEGATION OF DUTIES AND ASSIGNMENT  
OF RIGHTS OF AGREEMENT

THIS APPROVAL OF ASSIGNMENT OF AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2006,

by and between	COUNTY OF LOS ANGELES (hereafter "County"),
and	LANIER HEALTHCARE, LLC (hereafter "Lanier")
and	MEDQUIST HEALTHCARE, LLC (hereafter "MedQuist Healthcare")
and	MEDQUIST TRANSCRIPTIONS, LTD. (hereafter "MedQuist TL")

WHEREAS, on July 1, 2004, County and Lanier entered into an EQUIPMENT MAINTENANCE AND REPAIR SERVICES AGREEMENT, herein further identified as County Agreement No. H-700834 and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, Paragraph 19, PROHIBITION AGAINST ASSIGNMENT AND DELEGATION, of the Agreement's "STANDARD PROVISIONS" prohibits Lanier from delegating its responsibilities thereunder without prior written consent of County; and

WHEREAS, on July 1, 2002, MedQuist TL acquired Lanier and continued to conduct business in the name of Lanier, and;

WHEREAS, on December 6, 2005, Lanier changed its name to MedQuist Healthcare; and

WHEREAS, on December 30, 2005, MedQuist Healthcare was merged with and into MedQuist TL, as the surviving corporation and sole contracting entity; and

NOW, THEREFORE, the parties hereto agree as follows:

1. All Lanier's rights and responsibilities under Agreement have been assigned and delegated to MedQuist TL effective upon the date of its approval by County's Board of Supervisors. MedQuist TL hereby accepts and assumes all said rights and responsibilities under the Agreement.

2. County hereby consents to such assignment and delegation effective upon the date of its approval by County's Board of Supervisors.

3. Payments on claims to be submitted under the Agreement in the future shall be sent to MedQuist TL at the address listed in Paragraph 19, NOTICES, Subparagraph B.

4. Agreement Paragraph 19, NOTICES, Subparagraphs A and B shall be amended to add and revise as follows:

"19. NOTICES:

A. Notices to County shall be addressed as follows:

(4) LAC+USC Medical Center  
1200 North State Street  
Los Angeles, California 90033  
Attention: Chief Executive Officer

B. Notices to Contractor shall be addressed as follows:

(1) MedQuist Transcriptions, Ltd.  
1000 Bishops Gate Boulevard, Ste. 300  
Mount Laurel, New Jersey 08054  
Attention: Contract Administrator"

5. STANDARD PROVISIONS Paragraph 19, PROHIBITION AGAINST ASSIGNMENT AND DELEGATION, shall be replaced in its entirety to read as follows:

"19. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION

A. The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of

Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

C. If any assumption, assignment, delegation, or takeover of any of the Contractor's duties responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

6. STANDARD PROVISIONS Paragraph 41, CONTRACTOR RESPONSIBILITY AND DEBARMENT, shall be replaced in its entirety to read as follows:



"41. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit

corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether contractor should be

debarred, and if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide

change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the

debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to any subcontractors of County Contractors."

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Approval of Delegation of Duties and Assignment of Rights of Agreement to be subscribed by its

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Acting Director of Health Services, and Lanier Healthcare, LLC and MedQuist Transcriptions, Ltd., have caused the same in their respective behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Bruce A. Chernof, M.D., Acting Director  
and Chief Medical Officer

LANIER HEALTHCARE, LLC  
Assignor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL)

MEDQUIST TRANSCRIPTIONS, LTD  
Assignee

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM BY THE  
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By \_\_\_\_\_  
Cara O'Neill, Chief  
Contracts and Grants Division